



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
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"To Enrich Lives Through Effective And Caring Service"

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June 04, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AMENDMENT NO. 2 TO LEASE NO. 76586
FIRE DEPARTMENT
6167 BRISTOL PARKWAY, CULVER CITY
(SECOND DISTRICT)
(3 VOTES)**

SUBJECT

This is a recommendation to approve a five-year lease amendment for 3,426 rentable square feet of office space and nine parking spaces for the Fire Department's Hazardous Materials Division, West Inspections Office.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed lease amendment is categorically exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, per Section 15301 of the State California Environmental Quality Act Guidelines (Existing Facilities).
2. Approve and instruct the Chairman to sign the five-year lease amendment with Bristol Plaza Properties, LLC (Landlord). The amendment will be effective on June 5, 2013, and will provide the Fire Department uninterrupted use of 3,426 rentable square feet of office space and nine parking spaces. The initial annual lease cost is \$86,335, which are funded by fees collected from businesses regulated under the Certified Unified Program Agency.
3. Authorize the Chief Executive Officer and the Fire Chief to implement the project upon Board approval.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Fire Department, Hazardous Materials (HazMat) Division has provided Certified Unified Program Agency (CUPA) services from the subject facility since 2004. The facility serves as the West Inspections Office with eight staff.

Pursuant to Senate Bill 1082 of 1993 (Health and Safety Code Chapter 6.11), which required the Secretary of the California Environmental Protection Agency to establish a “unified hazardous waste and hazardous materials management” regulatory program (Unified Program) by January 1, 1996. There are currently 83 agencies in California. All counties in the State have been certified by the Secretary.

The Unified Program consolidates, coordinates, and makes consistent the following six existing programs: Hazardous Materials Release Response Plans and Inventories, California Accidental Release Prevention Program, Underground Storage Tank Program, Above-ground Petroleum Storage Act, Hazardous Waste Generator and Onsite Hazardous Waste Treatment Programs, California Uniform Fire Code: Hazardous Material Management Plans and Hazardous Material Inventory Statements.

The County Fire Department is responsible for implementing the Unified Program within the County’s jurisdiction. It has established a program which consolidates, coordinates, and makes consistent the administrative requirements, permits, inspection activities, enforcement activities, hazardous waste, and hazardous materials fees.

The proposed amendment to renew the lease will provide HazMat continued occupancy and uninterrupted delivery of services and programs to the service area population at a reduced rental rate, and will avoid the expense of tenant improvements (TI), telecommunications, and low voltage wiring at a new location.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of processes, structure, and operations to support the timely delivery of customer-oriented and efficient public services and the Strategic Plan Goal of Fiscal Sustainability (Goal 2) strengthens the County’s capacity to sustain essential County services through proactive and prudent fiscal policies and stewardship. The lease amendment supports these goals with a facility that services the programs. Compliance with the Asset Management Principles is outlined in Attachment A.

FISCAL IMPACT/FINANCING

The initial annual rent of \$86,335 comprises the total annual lease costs for the facility which represents a 20 percent reduction of the current lease costs. Attachment B is an overview of the changes in the lease.

Sufficient funding for the proposed lease is included in the Fiscal Year (FY) 2013-14 Rent Expense budget and will be charged back to the Fire Department. The Fire Department has sufficient funding in its FY 2013-14 operating budget to cover the projected lease costs which are funded by fees collected from businesses regulated under a CUPA.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed amendment will provide the Fire Department uninterrupted use of 3,426 square feet of office space and nine surface parking spaces included in the rent. The lease includes the following provisions:

- The five-year lease term will commence on June 5, 2013, upon adoption by the Board.
- A full-service gross lease whereby the Landlord will be responsible for all operating costs associated with the County's occupancy.
- A rent concession of 50 percent of the monthly rent for the first four months of the extended lease term.
- Pursuant to the proposed amendment, the County will have the right to cancel the lease any time after 30 months of the lease term upon 60 days prior written notice.
- Annual rental adjustments based upon the Consumer Price Index (CPI), capped at 4 percent with a minimum of 2 percent.

The Chief Executive Office (CEO) Real Estate staff surveyed the immediate area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the surveyed area that could accommodate this requirement more economically. Based upon the survey, staff has established that the annual rental range for similar space is between \$21.60 and \$31.20 per square foot on a full-service gross basis, including parking. Therefore, the proposed annual rental rate of \$25.20, including parking, is within the range of the full-service gross market rates for this area. Attachment B shows all County-owned and leased facilities within a five-mile radius of the subject facility and there are no suitable County-owned or leased facilities available for the program.

The Department of Public Works inspected the facility and has found it suitable for County occupancy. Notification letters have been sent pursuant to Government Code Sections 25351 and 65402. The Landlord has ensured path of travel requirements have been or will be met.

A childcare facility is not feasible for the department at the proposed leased premises.

ENVIRONMENTAL DOCUMENTATION

The CEO has concluded that this project is categorically exempt from the California Environmental Quality Act (CEQA) as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease amendment will allow the Fire Department to continue to provide the necessary office space for this County requirement and the department concurs with the proposed recommendation.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return three originals of the executed lease and the adopted, stamped Board letter and two certified copies of the Minute Order to the CEO, Real Estate Division at 222 South Hill Street, Fourth Floor, Los Angeles, CA 90012.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "W. T. Fujioka", with a stylized flourish at the end.

WILLIAM T FUJIOKA

Chief Executive Officer

WTF:RLR:CMM

CEM:MM:ls

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Fire

**FIRE DEPARTMENT
6167 BRISTOL PARKWAY, CULVER CITY**

Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>		Yes	No	N/A
A	Does lease consolidate administrative functions? ²				X
B	Does lease co-locate with other functions to better serve clients? ² The Department will continue to use the building exclusively for HAZMAT services.			X	
C	Does this lease centralize business support functions? ²				X
D	Does this lease meet the guideline of 200 sq. ft of space per person? ² 428 sq. ft. of space per person for 8 staff. The office space includes locker and storage space for HAZMAT clothing, equipment, and supplies. It is the best financially feasible facility available within the Service Area and the department cannot afford to move to another location even if available.			X	
2.	<u>Capital</u>				
A	Is it a substantial net County cost (NCC) program? The lease costs are funded by fees collected from businesses regulated under the Unified Program.			X	
B	Is this a long term County program?		X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?			X	
D	If no, are there any suitable County-owned facilities available?			X	
E	If yes, why is lease being recommended over occupancy in County-owned space?				X
F	Is Building Description Report attached as Attachment C?		X		
G	Was build-to-suit or capital project considered? ² Not feasible due to insufficient funding, small space requirement, and the time needed to locate and improve an alternate facility.			X	
3.	<u>Portfolio Management</u>				
A	Did department utilize CEO Space Request Evaluation (SRE)?		X		
B	Was the space need justified?		X		
C	If a renewal lease, was co-location with other County departments considered?				X
D	Why was this program not co-located?				X
	1. ____ The program clientele requires a "stand alone" facility.				
	2. <u>X</u> No suitable County occupied properties in project area.				
	3. ____ No County-owned facilities available for the project.				
	4. ____ Could not get City clearance or approval.				
	5. ____ The Program is being co-located.				
E	Is lease a full service lease? ²		X		
F	Has growth projection been considered in space request?		X		
G	Has the Dept. of Public Works completed seismic review/approval?		X		
¹ As approved by the Board of Supervisors 11/17/98					
² If not, why not?					

Attachment B**FISCAL IMPACT/FINANCING
OVERVIEW OF LEASE CHANGES**

6167 BRISTOL PARKWAY	EXISTING LEASE AS AMENDED	PROPOSED AMENDMENT	CHANGE
Area (Square feet)	3,426	3,426	None
Term	5 years (06/04/08 – 06/03/13)	5 years (upon Board adoption)	+ 5 years
Annual Base Rent	\$107,641 (\$31.42/sq. ft.)	\$86,335 (\$25.20/sq. ft.)	- \$21,306 - (\$6.22/sq. ft.)
Cancellation	None	After 30 months upon 60 days notice	+ After 30 months upon 60 days notice
Parking (included in rent)	9	9	None
Option to Renew	One five-year	None	- One five-year
Annual Rental Adjustment	CPI capped at 3 percent	CPI capped at 4 percent with a floor of 2 percent	+ 1 percent cap + 2 percent floor

Attachment C

FIRE DEPARTMENT 6167 BRISTOL PARKWAY, CULVER CITY

Five-mile radius search from 6167 Bristol Parkway, Culver City

LACO	Facility Name	Address	Ownership	Gross SQFT	Net SQFT	Available SQFT
B006	FIRE-PREVENTION BUREAU-WEST METRO OFFICE	6167 BRISTOL PKWY, CULVER CITY 90230	LEASED	3,426	3,255	NONE
A430	ASSESSOR-WEST DISTRICT OFFICE	6120 BRISTOL PKWY, CULVER CITY 90230	LEASED	30,507	27,456	NONE
A437	DCFS-WATERIDGE (SPA 6)	5100 W GOLDLEAF CIR BUILDING C, LOS ANGELES 90056	LEASED	52,370	46,086	NONE
A533	DCFS-KINSHIP 2-NORTH	5035 W SLAUSON AVE, LOS ANGELES 90056	LEASED	5,788	5,200	NONE
5708	PUB LIB-CULVER CITY JULIAN DIXON LIBRARY	4975 OVERLAND AVE, CULVER CITY 90230	OWNED	21,406	17,364	NONE
X677	LADERA SENIOR/COMM CENTER	4750 W 62ND ST, LOS ANGELES 90056	OWNED	4,219	3,161	NONE
A448	DMH-CULVER CITY MENTAL HEALTH SERVICES	11303 W WASHINGTON BLVD, CULVER CITY 90066	LEASED	15,980	15,181	NONE
3776	CULVER CITY COURTHOUSE	4130 OVERLAND AVE, CULVER CITY 90230	OWNED	21,568	11,543	NONE
0014	PW ROAD-DIV #233/333/433 OFFICE/ GARAGE	5530 W 83RD ST, WESTCHESTER 90045	OWNED	5,500	4,950	NONE
6722	PUBLIC LIBRARY-VIEW PARK LIBRARY	3854 W 54TH ST, LOS ANGELES 90043	OWNED	6,983	6,130	NONE
3394	INGLEWOOD JUVENILE COURTHOUSE	110 E REGENT ST, INGLEWOOD 90301	STATE OF CA / COUNTY LA	21,538	13,371	NONE
6330	INGLEWOOD COURTHOUSE	1 E REGENT ST, INGLEWOOD 90301	STATE OF CA / COUNTY LA	140,673	89,483	NONE
5933	PH-CURTIS TUCKER PUBLIC HEALTH CENTER	123 W MANCHESTER BLVD, INGLEWOOD 90301	OWNED	28,734	16,828	NONE
B520	DPSS-IHSS TRAINING (PART TIME)	923 E REDONDO BLVD, INGLEWOOD 90302	OWNED	40,000	27,898	NONE
A378	DPSS-AIRPORT/WESTSIDE GAIN REGION I OFFICE	5200 W CENTURY BLVD, WESTCHESTER 90045	LEASED	50,147	47,640	NONE
C242	DMH-ADULT SYSTEMS OF CARE	3741 STOCKER ST, LOS ANGELES 90008	LEASED	4,558	4,330	NONE
A242	DPSS-MEDICAL INGLEWOOD OFFICE/PUBLIC HEALTH	9800 S LA CIENEGA BLVD, INGLEWOOD 90301	LEASED	59,069	56,116	NONE
X006	BEACHES/HARBORS FINANCIAL SERVICES	13575 MINDANAO WAY, MARINA DEL REY 90292	OWNED	3,000	2,850	NONE
X020	BEACHES/HARBORS FORMER COVE BUILDING	13535 MINDANAO WAY, MARINA DEL REY 90292	OWNED	9,276	8,812	NONE
X334	PUB LIB-LLOYD TABER-MARINA DEL REY LIBRARY	4533 ADMIRALTY WAY, MARINA DEL REY 90292	OWNED	4,972	4,246	NONE
X301	LOS ANGELES AIRPORT COURTHOUSE	11701 S LA CIENEGA BLVD, LOS ANGELES 90045	FINANCED	292,000	157,380	NONE
A528	DPSS-NEW RANCHO PARK DISTRICT OFFICE	11110 W PICO BLVD, LOS ANGELES 90064	LEASED	69,450	59,033	NONE
4835	BEACHES/HARBORS-ADMINISTRATION BUILDING	13837 FIJI WAY, MARINA DEL REY 90292	OWNED	14,126	8,848	NONE

AMENDMENT NO. 2 TO COUNTY LEASE NO. L-0885
LOS ANGELES COUNTY
6167 BRISTOL PARKWAY, SUITE 220, CULVER CITY

THIS AMENDMENT NO. 2 TO COUNTY LEASE NO. L-0885 (this "Amendment No. 2") is made and entered into as of April 30, 2013, by and between BRISTOL PLAZA PROPERTIES, LLC, a Delaware limited liability company ("Lessor"), and COUNTY OF LOS ANGELES, a body politic and corporate ("Lessee").

RECITALS

- A. Lessor (as successor in interest to Arden Realty Finance Partnership, L.P.) and Lessee are parties to that certain County of Los Angeles Lease and Agreement dated February 5, 2004 (the "Original Lease"), as previously amended by Amendment No. 1 to County Lease No. L-0885 dated June 4, 2008 ("Amendment No. 1") (the Original Lease, as amended, the "Lease"). Pursuant to the Lease, Lessor has leased to Lessee space currently containing approximately 3,426 rentable square feet (the "Premises") described as Suite No. 220 on the second (2nd) floor of the building commonly known as Bristol Plaza located at 6167 Bristol Parkway, Culver City, California (the "Building").
- B. The Lease will expire by its terms on **June 4, 2013** (the "Existing Expiration Date"), and the parties wish to extend the term of the Lease on the following terms and conditions.

NOW, THEREFORE, in consideration of the above recitals which by this reference are incorporated herein, the mutual covenants and conditions contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee agree as follows:

1. **Extension.** The term of the Lease is hereby extended through **June 4, 2018** (the "Extended Expiration Date"). The portion of the term of the Lease commencing June 5, 2013 (the "Extension Date") and ending on the Extended Expiration Date shall be referred to herein as the "Extended Term".
2. **Paragraph 3. Rent.** Effective as of the Extension Date, the first sentence in Section 3 of the Amendment No. 1 is deleted in its entirety and the following sentence is substituted therein:

"During the Extended Term, Lessee agrees to pay as rent for the Premises the sum of **Seven Thousand One Hundred Ninety-Four and 60/100 Dollars (\$7,194.60)** per month (i.e, \$2.10 per rentable square foot per month), subject to adjustment pursuant to **Paragraph 19, "RENTAL ADJUSTMENT" of the Original Lease.** Provided that Lessee is not in default of its obligations under the Lease, Lessee shall be entitled to a partial abatement of rent for the Premises in the amount of \$3,597.30 per month with respect to the months of July 2013, August 2013, September 2013 and October 2013. The total amount of rent to be abated during those four months is **\$14,389.20.**"
3. **Paragraph 5. Cancellation.** During the Extended Term, Lessee shall have the right to cancel the Lease at any time after the thirtieth (30th) month of the Extended Term in accordance with Section 4 of Amendment No. 1.
4. **Paragraph 15. Notices.** Notices to Lessor shall be sent to the following addresses:

BRISTOL PLAZA PROPERTIES, LLC
c/o Equity Office
6080 Center Drive
Suite 200
Los Angeles, CA 90045
Attention: Property Manager

with copies to:

BRISTOL PLAZA PROPERTIES, LLC
c/o Equity Office
Two North Riverside Plaza

Suite 2100
Chicago, IL 60606
Attn: Managing Counsel

and

Equity Office
Two North Riverside Plaza
Suite 2100
Chicago, IL 60606
Attn: Lease Administration

and

SL Green Realty Corp.
420 Lexington Avenue, 19th Floor
New York, NY 10170
Attention: Andrew S. Levine
Chief Legal Officer, General Counsel, EVP

5. **Paragraph 19. Rental Adjustments.** Effective as of the Extension Date, Section 7 of Amendment No. 1 shall be modified and amended by deleting the reference to "\$8,457.80" and substituting the sum "\$7,194.60" therein.
6. **Paragraph 19.C. General Provisions.** Effective as of the Extension Date, Section 8 of Amendment No. 1 shall be deleted in its entirety and the following shall be substituted therefore:

"C. General Provisions:

 1. In no event shall the monthly rent adjustment based upon CPI formula set forth in Paragraph 19 (B) result in an annual increase that is: (i) greater than \$287.78 per month (4% of \$7,194.60); or (ii) less than \$143.89 per month (i.e. 2% of \$7,194.60).
 2. In no event shall the monthly rent be adjusted by the CPI formula to result in a lower monthly rent than was payable during the previous year of the Lease.
 3. The "Base Index" shall be the Index published for the month of June 2013."
7. **Paragraph 21. Parking Spaces.** During the Extended Term, Lessee shall continue to retain its parking right as set forth in Section 9 of Amendment No. 1.
8. **Condition of Premises.** Lessee acknowledges that it is in possession of the Premises and agrees to accept it "as is" without any representation by Lessor regarding its condition and without any obligation on the part of Lessor to perform or pay for any alteration or improvement, except as may be otherwise expressly provided in this Amendment No. 2. Notwithstanding the foregoing, Landlord, at its sole cost and expense, shall replace window tinting on the Premises windows on an "as-needed" basis.
9. **Option to Renew.** Section 2.B of Amendment No. 1 is hereby deleted, as the parties have agreed that Tenant shall have no further right to extend or renew the term of the Lease.
10. **Unrelated Business Income.** If Landlord is advised by its counsel at any time that any part of the payments by Tenant to Landlord under the Lease may be characterized as unrelated business income under the United States Internal Revenue Code and its regulations, then Tenant shall enter into any amendment proposed by Landlord to avoid such income characterization, so long as such amendment does not require Tenant to make more payments or accept fewer services from Landlord than the Lease provides for.
11. **Miscellaneous.**
 - 11.1. This Amendment No. 2 and the attached exhibits, which are hereby incorporated into and made a part of this Amendment No. 2, set forth the entire agreement between the parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements. Lessee shall not be entitled, in connection with entering into this Amendment No. 2, to any free rent, allowance, alteration, improvement or similar economic incentive to which Lessee may have been entitled in connection with entering into the Lease, except as may be otherwise expressly provided for in this Amendment No. 2.

- 11.2. Except as herein modified or amended, the provisions, conditions and terms of the Lease shall remain unchanged and in full force and effect.
- 11.3. In the case of any inconsistency between the provisions of the Lease and this Amendment No. 2, the provisions of this Amendment No. 2 shall govern and control.
- 11.4. Submission of a partially executed copy of this Amendment No. 2 by Lessor shall be an offer to Lessee to enter into this Amendment No. 2; provided that: (i) Lessor shall not be bound by this Amendment No. 2 until Lessor has received a fully executed copy of this Amendment No. 2 from Lessee; and (ii) if not previously withdrawn by Lessor by written notice to Lessee, such offer shall be deemed to have automatically been withdrawn if Lessee does not provide Lessor with a fully executed copy of this Amendment No.2 by the Existing Expiration Date (i.e. June 4, 2013).
- 11.5. The capitalized terms used in this Amendment No. 2 shall have the same definitions as set forth in the Lease to the extent that such capitalized terms are defined therein and not redefined in this Amendment No. 2.
- 11.6. Lessee shall indemnify and hold Lessor, its trustees, members, principals, beneficiaries, partners, officers, directors, employees, mortgagee(s) and agents, and the respective principals and members of any such agents harmless from all claims of any brokers claiming to have represented Lessee in connection with this Amendment No. 2. Lessor shall indemnify and hold Lessee, its trustees, members, principals, beneficiaries, partners, officers, directors, employees, and agents, and the respective principals and members of any such agents harmless from all claims of any brokers claiming to have represented Lessor in connection with this Amendment No. 2. Lessee acknowledges that any assistance rendered by any agent or employee of any affiliate of Lessor in connection with this Amendment No. 2 has been made as an accommodation to Lessee solely in furtherance of consummating the transaction on behalf of Lessor, and not as agent for Lessee.

[SIGNATURES ARE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Amendment No. 2 as of the day and year first above written.

LESSOR:

**BRISTOL PLAZA PROPERTIES, LLC, a Delaware
limited liability company**

By: 

Name: Frank Campbell

Title: Vice President

LESSEE:

**COUNTY OF LOS ANGELES, a body politic and
corporate**

By: _____

Name: _____

Title: _____

ATTEST:

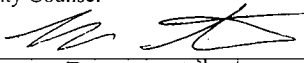
Sachi A. Hamai
Executive officer-Clerk
Of the Board of Supervisors

By: _____

Deputy: _____

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

By: 

Deputy: Byron Shibata